

MINUTES

STATE BUILDING COMMISSION MEETING

FEBRUARY 13, 2003

The State Building Commission met this day at 1:30 p.m. in House Hearing Room No. 29, Legislative Plaza, Nashville, Tennessee, with the following State Building Commission members and departments present.

1:38 p.m.	Department of General Services	Commissioner Davis
1:44 p.m.	Department of Human Services	Commissioner Lodge
1:45 p.m.	Department of Correction	Commissioner White
1:50 p.m.	Tennessee Board of Regents	Chancellor Manning
1:55 p.m.	Department of Finance and Administration	
1:56 p.m.	State Building Commission	

STATE BUILDING COMMISSION MEMBERS PRESENT

Lieutenant Governor John S. Wilder, Speaker of the Senate
Jimmy Naifeh, Speaker of the House of Representatives
Dave Goetz, Commissioner, Department of Finance and Administration
Riley Darnell, Secretary of State
John G. Morgan, Comptroller of the Treasury

STATE BUILDING COMMISSION MEMBERS ABSENT

Governor Don Sundquist
Steve Adams, State Treasurer

OTHERS PRESENT

Mike Fitts, State Architect
Georgia Martin, Department of Finance and Administration
Larry Kirk, Department of Finance and Administration
Sharon Willis, Department of Finance and Administration
Mark Wood, Secretary of State's Office
Connie Hardin, Legislative Budget Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Randall Jones, Department of General Services
Tom Giese, Department of Correction
Carl Brown, Department of Human Services
Terry Smith, Department of Human Services
Everett Woods, Department of Human Services
Steve Campbell, Barge Waggoner Sumner Cannon
Nancy Blevins, Department of Finance and Administration
Howard Herndon, Preservation Foundation
Pat Haas, Bond Finance
Keith Robinson, Tennessee Board of Regents
Jerry Preston, Tennessee Board of Regents
Claire Drowota, Select Oversight Committee on Corrections
Mary Margaret Collier, Bond Finance
Dennis Raffield, THEC
Alan Robertson, Department of Finance and Administration
Cliff Steger, Department of Finance and Administration
Tim Schwarz, Department of Environment and Conservation
Bob Woolf, Department of Finance and Administration

Lieutenant Governor Wilder called the meeting to order at 1:38 p.m. and requested action on the following projects as presented by State Architect Michael A. Fitts. Mr. Fitts reminded the Commission that they needed to elect a new Secretary. Speaker Naifeh made a motion to elect Commissioner Dave Goetz, which was seconded and passed without objection.

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DEPARTMENT OF GENERAL SERVICES

1:38 p.m.

Commissioner Gwendolyn Davis requested action on the following matter.

WAR MEMORIAL BUILDING, NASHVILLE, TENNESSEE

- 1) Commissioner Davis presented a request for approval of a project and acknowledgment of the source of funding for **Emergency Electrical Repairs** at the War Memorial Building, Nashville, and selection of a designer to design and supervise the project. She explained that this project was for electrical maintenance to remedy an emergency situation and provide code complying electrical service to the War Memorial Building and Legislative Plaza. In response to the Commission's questions, Mr. Fitts explained what the project entailed and added that the situation was a tremendous hazard.

After general discussion, the project was approved as well as the selection of SSOE, Inc. to design and supervise the project.

Estimated Project Cost:	\$325,000.00
<i>SBC Project No.</i>	<i>460/080-01-03</i>

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DEPARTMENT OF HUMAN SERVICES

1:44 p.m.

Commissioner Gina Lodge requested action on the following matter:

I-40 VENDING SHELTER, SMITH COUNTY, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$82,575.00 to \$93,000.00 (\$10,425.00 increase) of a project for **I-40 Vending Shelter Replacement** at Smith County, Tennessee.

Revised Estimated Project Cost: \$93,000.00
SBC Project No. 442/000-01-01

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DEPARTMENT OF CORRECTION

1:45 p.m.

Commissioner Quenton White requested action on the following matters.

STATEWIDE

- 1) Commissioner White presented a request for approval of a revision in scope and funding from \$470,000.00 to \$440,000.00 (\$30,000.00 decrease) of a project for **Underground Heating Cooling Study** at Department of Correction facilities, systemwide. He stated that this project was approved in September 2002 and proposed extensive investigation of their underground hot and chilled water distribution systems to examine current conditions and determine future maintenance needs and useful life. He added that the Building Commission required the Department to review the proposed work with the Oversight Committee (SOCC) prior to starting. He said the SOCC identified shortcomings in their Department's approach, which they want to change in the reduced project by limiting their investigation to their most recently constructed prisons exhibiting the greatest likelihood of premature failure. Commissioner White said they would investigate Northwest, Northeast, West Tennessee, Southcentral and Riverbend prisons using only the amount of testing and document research needed to answer the question of remaining useful life. He said he believed that, even with the reduced investigative effort, they will retain sufficient funds in the project to complete immediate repairs or partial replacements as indicated by the investigation. He added that the SOCC had approved this reduction in scope and funding.

After general discussion, the Commission approved the request as presented.

Revised Estimated Project Cost: \$440,000.00
SBC Project No. 140/001-02-02

BRUSHY MOUNTAIN CORRECTIONAL COMPLEX, MORGAN COUNTY, TENNESSEE

- 1) Commissioner White presented a request for approval of a project and acknowledgment of the source of funding to perform a **Corrective Action Plan** on the Wastewater Treatment Plant and Collection System Upgrade at Brushy Mountain Correctional Complex Site 1, in Morgan County. He discussed the Department of Environment and Conservation's Director's Order requiring this plan of action to be initiated or additional fines would be imposed. After discussion, the request was approved as presented as well as the selection of Stantec, Inc. to prepare the plan.

Estimated Project Cost: \$30,000.00
SBC Project No. 142/001-01-03

DISCUSSION OF BIDS

- 1) **Statewide**
(Electronic Fence Detection Upgrade)
SBC Project No. 140/001-03-00
Bid date: 13 February 2003
SBC Action: Referred to Subcommittee, with authority to act

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TENNESSEE BOARD OF REGENTS

1:50 p.m.

Chancellor Charles Manning requested action on the following matters.

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$750,000.00 to \$1,240,000.00 (\$490,000.00 increase) of a project for **Educational Facility Improvements** at Middle Tennessee State University, Murfreesboro, Tennessee.

Revised Estimated Project Cost: \$1,240,000.00
SBC Project No. 166/009-03-02

- 2) Approved a request for a revision in the estimated project cost from \$13,100,000.00 to \$13,420,000.00, approval of a revision in funding from \$500,000.00 to \$820,000.00 (\$320,000.00 increase) and acknowledgment of the source of funding of a project for **Several Buildings System Replacements** at Middle Tennessee State University, Murfreesboro, Tennessee.

Revised Estimated Project Cost: \$13,420,000.00
Revised Estimated Phase One Cost: \$ 820,000.00
SBC Project No. 166/009-05-02

TENNESSEE TECHNOLOGICAL UNIVERSITY, COOKEVILLE, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$210,000.00 to \$347,993.19 (\$137,993.19 increase) of a project for **Roaden University Center Reroof** at Tennessee Technological University in Cookeville, Tennessee.

Revised Estimated Project Cost: \$347,993.19
SBC Project No. 166/011-02-02

UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE

- 1) Approved a request for a revision on funding and acknowledgment of the source of funding from \$12,015,000.00 to \$12,130,000.00 (\$115,000.00 increase) of a project for **John S. Wilder Tower and Brister Facility Renovations** at the University of Memphis, and approval to adjust the base contract amount for change order reporting to the current Contract Sum.

Revised Estimated Project Cost: \$12,130,000.00
SBC Project No. 166/007-03-96

- 2) Approved a request for a revision in funding and acknowledgment of the source of funding from \$750,000.00 to \$1,200,000.00 (\$450,000.00 increase) of a project for **Recreation and Fitness Renovations** at the University of Memphis, Memphis, Tennessee.

Revised Estimated Project Cost: \$1,200,000.00
SBC Project No. 166/007-03-00

- 3) Approved a request for a revision in funding and acknowledgment of the source of funding from \$3,650,000.00 to \$3,250,000.00 (\$400,000.00 decrease) of a project for **Carpenter Student Housing Additions** at the University of Memphis, subject to TSSBA approval.

Revised Estimated Project Cost: \$3,250,000.00
SBC Project No. 166/007-01-02

MOTLOW STATE COMMUNITY COLLEGE, LYNCHBURG, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$25,000.00 to \$35,000.00 (\$10,000.00 increase) of a project for **Master Plan Update** at Motlow State Community College in Lynchburg, Tennessee.

Revised Estimated Project Cost: \$35,000.00
SBC Project No. 166/021-04-99

DISCUSSION OF BIDS

- 1) **Middle Tennessee State University**
(Steam/Condensate Lines Replacement)
SBC Project No. 155/009-01-97
Bid date: 02/05/03
SBC Action: Approved reallocating the budget and awarding a contract to Southern States Electric Company in the amount of \$301,800, based upon the low base bid plus Alternates #1 and #2.
- 2) **Middle Tennessee State University**
(Parking Lots New Construction)
SBC Project No. 166/009-04-02
Bid date: 02/12/03
SBC Action: Referred to Subcommittee, with authority to act
- 3) **Roane State Community College**
(Infrastructure Replacement)
SBC Project No. 166/027-01-99
Bid date: 02/12/03
SBC Action: Referred to Subcommittee, with authority to act

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DEPARTMENT OF FINANCE AND ADMINISTRATION

1:55 p.m.

EXECUTIVE RESIDENCE, NASHVILLE, TENNESSEE

- 1) Approved a request for acceptance of a gift of a complete **New Roof** at the Executive Residence in Nashville from the Tennessee Executive Residence Preservation Foundation II, with approval of the design and construction by the State Architect's Office.

Estimated Project Cost: \$450,000.00
SBC Project No. 529/028-01-03

MONTGOMERY BELL STATE PARK, DICKSON COUNTY, TENNESSEE

- 1) Approved a request to utilize the original construction contractor and original design firm to investigate water infiltration problems at the Inn at Montgomery Bell Park, Dickson County, Tennessee.

SBC Project No. 126/054-01-94

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STATE BUILDING COMMISSION

MINUTES OF MEETING OF STATE BUILDING COMMISSION

- 1) Approved the Minutes of the State Building Commission meeting held on January 9, 2003.

COMPILATION OF SBC BY-LAWS, POLICY AND PROCEDURES

- 1) Approved the following changes to the By-Laws, Policy and Procedures of the State Building Commission.

3.02 GENERAL STAGES OF REVIEW

- E. First Stage approval of a project (sub-paragraph 3.02(A)(1) automatically carries with it, SBC approval of all usual and customary easements, licenses, disposals of utilities, right of entries, and right of ways necessary for the maintenance and support of utilities for the project. Any such action shall be reported to the full Commission at their next regularly scheduled meeting following the execution of the legal documents reflecting the action taken. *[SBC Minutes 2/14/02]*

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5.11 CONSIDERATION OF BIDS

- C. For projects without alternates, determination of the Low Bidder shall be based on the lowest evaluated Base Bid submitted by a responsible and responsive bidder. For projects that include alternates in the bidding process, determination of the Low Bidder shall be based on the bid submitted by a qualified bidder for the Base Bid plus alternates in order of priority to the extent that the sum of these is within the "Target" as stated just prior to the opening of bids. *If the base bid of all bidders exceeds the established bid target at the time of bid, then the low bidder is determined by the lowest base bid submitted by a responsible and responsive bidder irrespective of any alternates, if any, bid.* If a determined Low Bidder acts to withdraw the bid due to mistake as permitted above, or refuses or is unable to enter into a contract, that bidder shall be disqualified from consideration, and the remaining bids, if any, re-considered on the same basis. *[SBC Meeting Minutes 9/30/83 and 7/11/02]*

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6.03 ROOFING

A **minimum** ten-year standard guarantee by the roofing systems company shall be required for new roofing systems of low pitch, commonly referred to as flat roofs; and further, the prime contractor shall be required to execute a standard roof bond, backed by a surety company licensed to do business in the state of Tennessee, for a three year period. Such standard documents shall be developed and approved by the State Architect. *[SBC Meeting Minutes 4/13/84 and 4/11/02]*

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8.03. BOUNDARY DISPUTE RESOLUTION *[SBC Meeting Minutes 11/14/02]*

A. BOUNDARY DISPUTE CLAIM

1. Upon discovery of a boundary dispute claim by a Department or Agency of the State of Tennessee, the following procedures are to be followed:
 - a) If a boundary problem is discovered, the State agency having jurisdiction over the disputed property will have a staff real estate professional investigate the problem.
 - b) The Agency's real estate professional will examine all records, deeds, plats and monumentations to determine the extent of the problem.
 - c) Once the problem has been defined, the Agency will contact and work in conjunction with the Department of Finance and Administration's Office of Real Estate Management (REM) to resolve the dispute.
 - d) The Office of Real Estate Management will, with any professional consultant deemed necessary, examine the chain of property title and make a determination of what should be the proper property description. The State agency having jurisdiction over the property and REM will devise a potential solution to the problem. Approval to proceed will be required by both agencies before contacting the affected property owner(s).
 - e) Upon receiving approval, REM will contact all affected property owners and negotiate a boundary line. If there is a significant loss or gain of State property (more than five acres), it will require State Building Commission approval prior to any settlement being reached with affected property owner(s).
 - f) If a property line can be negotiated and a loss or gain of State lands is less than five acres, REM will approve the settlement of the boundary and report the settlement to the State Building Commission at the next scheduled monthly meeting.
 - g) The Attorney General's Office must approve all deeds of correction or boundary line agreements. All boundary line agreements and new boundary plat retracements will be recorded in the county where the property is located. (Note: Deeds of Correction require all original signers to re-sign and should only be used on recent acquisitions.)
 - h) The State agency having jurisdiction over disputed property will pay all surveying, deed preparation and recording fees associated with boundary dispute.
2. Upon discovery of a boundary problem by an outside party, the following procedures are to be followed:

- a) Once a claim has been made by an adjoining property owner against State land, the State department having jurisdiction over the real estate will have a real estate professional from the department contact the property owner to determine the nature and extent of the claim.
- b) The Agency representative will document the claim in writing. The property owner must provide legal or credible testimony to support his or her claim. The burden of proof falls on the claiming property owner to provide evidence that the state's boundary is incorrect.
- c) The Agency's representative will review the landowner's survey, tax map, deed and deed calls, written and oral testimony provided by reputable sources or other qualified sources of evidence.
- d) The Agency's representative will review the State's boundary by examination of State's deed and deed calls and surrounding properties. He will also review recording information to determine the most recent survey recorded.
- e) If the Agency determines in its discretion that the claim has possible merit, then the Agency will contact REM who will review all the documentation presented and make any independent investigation deemed necessary.
- f) REM will conduct an investigation of all the records and testimonies associated with the disputed tract and make a boundary line determination.
- g) The Agency and REM will attempt to negotiate a boundary agreement with the property owner.
- h) If it is determined that the State will lose or gain a considerable amount of acreage (more than 5 acres) it must have prior approval by the Agency having jurisdiction over the property, Real Estate Management and the State Building Commission. Any agreements that involve five acres or less can be approved by the Agency and REM and will be reported to the State Building Commission at the next scheduled meeting.
- i) Once a boundary line agreement has been reached and approved, REM will have prepared a Deed of Correction or a boundary line agreement that will be recorded in the county where the property is located. In settling land disputes, sharing of the surveying, deed preparation and recording fees is encouraged by the requesting agency and the affected property owner. The Agency and the property owner may negotiate the fees before any work is begun.

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8.01 GENERAL ACQUISITION AND DISPOSAL

- E. The Department of Finance and Administration shall make appropriate revisions in its rules and regulations, policies and other documents to implement this policy, **which shall be approved by the Commission (see Attachment 6).**

**GENERAL ACQUISITION AND DISPOSAL
RULES AND REGULATIONS**

Department of Finance and Administration
Effective July 1, 1996

FEE STRUCTURE FOR ACQUISITIONS AND DISPOSALS

\$0 - \$10,000	Minimum charge	\$ 500
\$10,001 - \$999,999	5% of transaction amount	
\$1,000,000 or greater	Maximum	\$50,000

Transactions that will require payment of a fee are acquisitions and disposals in fee simple, easements, land leases and some licenses. All fees will be payable at closing or at the execution of the instrument except leases which may be collected as each annual payment becomes due.

Transfers of jurisdictions, inter-agency agreements and rights of entry will be processed at no cost unless federal program requirements conflict with that policy.

The fee on an exchange of property will be based on the value of the property to be exchanged or the higher of the values, if different. The fee on gift property to the State will be based on the minimum charge.

Where disposals of State property are anticipated with outside parties requesting the disposal, the payment of an estimated fee or estimated cost of any required appraisal, whichever is greater, will be collected at the beginning of the transaction to insure follow through.

The Executive Subcommittee shall receive annual recommendations from the Commissioner of Finance and Administration regarding situations where waiving the fee seems appropriate. The Executive Subcommittee will then determine which fees could be waived. Because of the public policy or interest served, fees may be waived when:

1. The transaction results from action by the Legislature and no funds have been appropriated to cover costs associated with the transaction.
2. An outside party to primarily benefit the State initiated the transaction and the agency has no revenues other than appropriations.
3. A prior agreement states that consideration or costs will be waived.

4. Those transactions initiated by and benefiting a governmental entity or nonprofit group who is paying the fair market value, if any, and all out-of-pocket costs associated with the transaction and payment of the fee would not be in the interest of the program.

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REPORT OF CHANGE ORDERS RESULTING IN CUMULATIVE CHANGE ORDER COSTS TO EXCEED 10% OF BASE CONTRACT AMOUNT

1. **John Sevier State Office Building**
(4th & 5th Floor Renovation)
Change Order No. 3
Change Order Amount: \$19,372.38
Change Order Percent: 16.29
Cumulative Percent 26.40
SBC Project No. 529/070-01-01A
2. **Military Department**
(Tank Simulator Building #425 – Smyrna)
Change Order No. 1
Change Order Amount: \$13,486.39
Change Order Percent: 15.0
Cumulative Percent 15.0
SBC Project No. 361/000-01-99
3. **War Memorial Buildings**
(Carpet Replacement)
Change Order No. 1
Change Order Amount: \$34,621.48
Change Order Percent: 16.71
Cumulative Percent: 16.71
SBC Project No. 460/080-01-00
4. **Surplus Property Warehouse**
(Roof Replacement)
Change Order No. 2
Change Order Amount: \$5,682.00
Change Order Percent: 2.49
Cumulative Percent: 28.39
SBC Project No. 460/092-01-02
5. **Northeast State Community College**
(Renovation Pierce Building)
Change Order No. 8
Change Order Amount: \$56,526.10
Change Order Percent: 7.33
Cumulative Percent: 16.88
SBC Project No. 166/038-03-99

- 6 **Tennessee State University**
 (New Performing Arts Reno Strange Music)
 Change Order No. 46
 Change Order Amount: \$907.14
 Change Order Percent: .01
 Cumulative Percent: 10.09
 SBC Project No. 166/001-04-96

SUB-COMMITTEE REPORT

- 1) Report received of action taken at the State Building Commission Executive Sub-Committee meeting held on January 21, 2003.

DESIGNER SELECTION LIST

- 1) Approval of the designer selections as recommended.
- 1) **War Memorial Building**
 (Emergency Electrical Repairs)
 Estimated Project Cost: \$325,000.00
 SBC Project No. 460/080-01-03
 Designer: **SSOE, INC.**
- 2) **Brushy Mountain Correctional Complex**
 (Corrective Action Plan)
 Estimated Project Cost: \$30,000.00
 SBC Project No. 142/001-01-03
 Designer: **STANTEC, INC.**
- 3) **Prison Facilities Expansion**
 (Program Phase)
 Estimated Project Cost: \$750,000.00
 SBC Project No. 140/001-04-02
 Designer: **BARGE WAGGONER SUMNER CANNON**
- 4) **DHS Second Avenue Building**
 (Structural / Masonry Repairs)
 Estimated Project Cost: \$250,000.00
 SBC Project No. 460/001-01-02
 Designer: **ROSS BRYAN ASSOCIATES)**
- 5) **Volunteer Training Site – Smyrna**
 (Building 510 HVAC Replacement)
 Estimated Project Cost: \$100,000.00
 SBC Project No. 361/079-07-02
 Designer: **Rescind selection of "I.C. THOMASSON ASSOCIATES" as
Military Department intended to do project in-house**

- 6) **Tennessee Board of Regents - Systemwide**
(Chillers CFC Conversions, Part 2)
SBC Project No. 166/000-02-01
Designer: **Change designer name from "OFFICE OF GRIFFITH C. BURR, INC." to "OGCB, INC."**
- 7) **Dyersburg State Community College**
(Learning Resource Center / Student Center Boiler Replacements)
SBC Project No. 166/017-01-02
Designer: **Change designer name from "OFFICE OF GRIFFITH C. BURR, INC." to "OGCB, INC."**
- 8) **Southwest Tennessee Community College**
(Mechanical & Safety Upgrades)
SBC Project No. 166/033-01-01
Designer: **Change designer name from "OFFICE OF GRIFFITH C. BURR, INC." to "OGCB, INC."**
- 9) **TDOT Region 1 Headquarters - Knoxville**
(Transportation Management Center)
Estimated Project Cost: \$4,675,000.00
SBC Project No. 241/010-01-02
Designer: **Change designer from a joint venture with "VAUGHN-MELTON / GRESHAM-SMITH PARTNERS" to "VAUGHN-MELTON WITH GRESHAM-SMITH PARTNERS AS CONSULTANT"**

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There being no further business, the meeting adjourned at 1:56 p.m.